IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

THURSDAY, THE TWENTY FIRST DAY OF APRIL
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MS JUSTICE G.ROHINI

WRIT PETITION NO : 8935 of 2005

Between:

1 Sri Sampath Sai Mutually Aided Labour Contract Co.op. Society

Regd.No.657/2002 rep., by its President Sri Kannati Simhachalam,

S/o Appanna, r/o Amarnagar, C.B.M.Compound, Visakhapatnam.
2 Sri Sai Ram Mutually Aided Labour Contract Co.op. Society,

Regd.No.685/2002 rep., by its President Sri Sataraboina Appa Rao,

S/o Krishna, r/o D.No.10-37-12, Ramnagar, Visakhapatnam-2.
3 Sanitary S.C.Mens and Womens Welfare Society, Regd.No.459/97

rep., by its President,Somadula Gandhi, s/o Suri, No.7, SBI Colony, Peda

Waltair, Visakhapatnam.
4 Sri Sai Lakshmi Mutually Aided Labour Contract Co.op. Society Limited,

752/2004 rep., by its President Gurram Govindu, s/o late Chinna Rao,

D.No.9-13-89, New Resavanipalem, Visakhapatnam

..... PETITIONERS

AND

1 The Commissioner, Visakhapatnam Municipal Corporation, Visakhapatnam.
2 The Chief Engineer, Municipal Corporation, Visakhapatnam.
3 The Superintendent Engineer, Municipal Corporation, Visakhapatnam.
4 The Executive Engineer, Circle-I, Engineering Works, Municipal

Corporation, Visakhapatnam
5 The Executive Engineer, Circle-2, Engineering Works, Municipal

Corporation, Visakhapatnam

6 The Executive Engineer, Circle-3, Engineering Works, Municipal

Corporation, Visakhapatnam
7 The Executive Engineer, Circle-4, Engineering Works, Municipal

Corporation, Visakhapatnam
8 The Executive Engineer, Circle-5, Engineering Works, Municipal

Corporation, Visakhapatnam
9 The Executive Engineer, Water Supply, Municipal Corporation,

Visakhapatnam
10 The Executive Engineer, Under Gound Drainages, Municipal Corporation,

Visakhapatnam

.....RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court may be pleased to issue a writ of mandamus, or any other appropriate writ, order or direction, declaring the action of the respondents in not allocating at least 15% of the total works to the petitioners societies and also exemption from collecting Earnest Money Deposits for allocating all the works as per the G.O.Ms.No.52, dt.18-3-2000 and the Circular Memo No.13628/K1-2002-1, dt.14-10-2002 as illegal, null and void and for a consequential order further directing the respondents to allocate at least 15% of the total works to these societies and the individuals by extending the benefit of exemption from collecting earnest money deposits from these societies for all the works relating to the respondent Corporation in terms of G.O.Ms.No.52, dt.18-3-2000 and Circular Memo No.13628/K1/2002-1 dt.14-10-2002 and pass such other order or order as may deem fit and proper in the circumstances of the case.

Counsel for the Petitioners:MR.CH.DHANAMJAYA

Counsel for the Respondents: MR.N.RANGA REDDY (SC FOR MNICIPAL CROP. VSP.)

The Court at the stage of admission made the following :

THE HON'BLE MS. JUSTICE G.ROHINI

WRIT PETITION NO.8935 OF 2005

ORDER :

The petitioners claim to be the societies registered under the Societies Registration Act formed by the persons belonging to the Scheduled Castes, Scheduled Tribes and Vaddera Communities who are below the poverty line.

This writ petition is filed seeking a Writ of Mandamus declaring the action of the respondents in not allocating at least 15% of the total works to the petitioner societies and also in not granting the exemption from payment of earnest money deposit as per G.O.Ms.No.52, dated 18-03-2000 and the Circular Memo No.13628/K1/2002-1, dated 14-10-2002 as arbitrary and illegal.

It is stated that as per G.O.Ms.No.52, Transport, Roads & Buildings (B.I-1) Department, dated 18-03-2000, the petitioner societies are entitled for exemption from payment of earnest money deposit in respect of works undertaken by the 1st respondent Corporation as well as the other Departments of the Corporation. It is also contended that under the said G.O.Ms.No.52, it is mandatory for the respondents to reserve at least 15% of the works in favour of the petitioner societies. It is alleged that the respondents have failed to implement the abovesaid Government Order and they are not providing 15% reservation out of the total works and they also failed to grant exemption of earnest money deposit so as to enable the petitioner societies to participate in all the works. Hence, this writ petition.

I have heard the learned Counsel for the petitioner as well as the learned Standing Counsel appearing for the respondents and perused the material on record.

A perusal of G.O.Ms.No.52, dated 18-03-2000 shows that the Committee appointed by the Government to examine the nature of the works being undertaken by various public agencies and to classify the works based on the complexity and valuation which can be entrusted on nomination basis to SC/ST/Vadderas – individuals as

well as societies and also to review the existing guidelines, having considered various aspects, submitted its report on 18-01-2000 making certain recommendations which include exemption of Labour Contract Co-operative Societies of SC/ST/Vadderas from payment of earnest money deposit in respect of works costing upto Rs.20 lakhs. The said recommendations were accepted by the Government under G.O.Ms.No.52, dated 18-03-2000 and it was ordered that the same shall be implemented while entrusting works to SC/ST/Vadderas and Labour Contract Co-operative Societies and individuals belonging to SC/ST/Vadderas. It was also made clear that the same shall be applicable to several Departments specified therein.

Subsequently, the Government issued Circular Memo No.13628/K1/2002-1, dated 14-10-2002 clarifying that the concessions given by the Government earlier in G.O.Ms.No.475, dated 28-8-1989 and G.O.Ms.No.440, dated 12-8-1994 insofar as the works relating to the Municipalities, Municipal Corporations, Urban Development Authorities in the State and Heads of Departments under the Administrative Control of Municipal Administration and Urban Development Department shall continue and that all the Heads of Departments were directed to follow the said orders in G.O.Ms.No.475, dated 28-8-1989 and G.O.Ms.No.440, dated 12-8-1994 while allotting the works to the Labour Contract Co-operative Societies formed with SC, ST, Vadderas and also to the individuals belonging to SC, ST, Vaddera Communities who happen to be unemployed or retrenched engineers.

It is not in dispute that the said concessions include exemption from collecting the earnest money deposit in case of works costing upto Rs.1 lakh in respect of individuals and in case of works costing upto Rs.20 lakhs entrusted to the societies and also reservation of 15% of the works to the said societies as well as individuals who happen to be unemployed or retrenched engineers belonging to SC, ST and Vaddera Communities.

As a matter of fact, Rule 3 (2) of the A.P. Municipalities Tender Rules, 1967 provides that at least 15% of the works may be reserved for entrustment to the Labour Contract Co-operative Societies formed of Scheduled Castes, Scheduled Tribes

and Vadderas and the individuals belonging to the said communities who happen to be unemployed or retrenched engineers.

The learned Standing Counsel appearing for the respondents does not dispute the above rule position as well as the Government Orders.

Accordingly, the Writ Petition is disposed of with a direction to the respondents to strictly adhere to the guidelines in G.O.Ms.No.52, dated 18-03-2000 and the Circular Memo dated 14-10-2002 while allotting the works specified in the said orders. No costs.

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21st April, 2005.

Note:- CC by Monday.

(B/O)

ghn

To

1 The Commissioner, Visakhapatnam Municipal Corporation, Visakhapatnam.
2 The Chief Engineer, Municipal Corporation, Visakhapatnam.
3 The Superintendent Engineer, Municipal Corporation, Visakhapatnam.
4 The Executive Engineer, Circle-I, Engineering Works, Municipal

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11 Two C.D copies.